

VZCZCXRO0462  
RR RUEHCD RUEHGD RUEHHO RUEHMC RUEHNG RUEHNL RUEHRD RUEHRS RUEHTM  
DE RUEHME #2093/01 1981946  
ZNY CCCCC ZZH  
R 171946Z JUL 09  
FM AMEMBASSY MEXICO  
TO RUEHC/SECSTATE WASHDC 7475  
INFO RUEHXC/ALL US CONSULATES IN MEXICO COLLECTIVE  
RHMFISS/DEPT OF JUSTICE WASHINGTON DC  
RUEHC/DEPT OF LABOR WASHINGTON DC  
RUEATRS/DEPT OF TREASURY WASHINGTON DC  
RUCPDO/DEPT OF COMMERCE WASHINGTON DC  
RHMFISS/CDR USSOUTHCOM MIAMI FL  
RHMFISS/HQ USNORTHCOM  
RHMFISS/DEPT OF HOMELAND SECURITY WASHINGTON DC  
RUEABND/DEA HQS WASHINGTON DC  
RHEHAAA/NSC WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 03 MEXICO 002093

SIPDIS

E.O. 12958: DECL: 07/15/2019

TAGS: [PGOV](#) [PHUM](#) [PINR](#) [PREL](#) [KCRM](#) [SNAR](#) [MX](#)

SUBJECT: LA FAMILIA CONTINUES RAMPAGE IN MICHOACAN

REF: MEXICO 2039

Classified By: Acting Political Minister Counselor James P. Merz for reasons 1.4 (b) and (d)

¶1. (C) Summary: The Michoacan-based crime syndicate, "La Familia", has launched a sustained and deadly reprisal campaign against Mexican Law enforcement, unprecedented in its brutality. Per reftel, the attacks commenced in retaliation for the arrest of high ranking La Familia member Arnoldo Rueda Medina "La Minza" on July 11. On July 13, tortured cadavers of 12 police officers were discovered in a pile along a main highway in Michoacan. Government officials insist they remain undeterred in efforts to combat organized crime. The Governor of Michoacan met with Attorney General Eduardo Medina-Mora on July 13 to discuss next steps in responding to these attacks and offer assistance. Shortly after, government officials announced charges against the Governor's half-brother and recently elected PRD Congressman, Julio Godoy Toscano. He is suspected of serving as La Familia's head of drug operations in the southeast region of Michoacan. While the cartels attack federal officials regularly in Mexico, these attacks demonstrate La Familia's impressive command and coordination ability, not to mention its headline grabbing depravity. End of Summary

#### La Familia Steps Up the Violence

¶2. (C) La Familia continued its attacks on the Mexican Federal Police, Secretaria de Seguridad Publica (SSP), following the arrest of "La Minza" on July 11. After a series of hit and run attacks throughout the weekend, La Familia stepped up its offensive by capturing, torturing and killing 12 off-duty federal police officers on July 13. La Familia operatives reportedly stormed the rented house where the cops were staying and transported them to another location, where they were tortured and executed. The killers left a taunting note near the bodies that said, "Come for us again. We are waiting for you." Ten of the officers were former Special Investigative Unit (SIU) members and had attended various U.S. training courses.

#### Why Now?

¶3. (SBU) La Familia is currently locked in a war with the rival cartel Los Zetas. Per reftel, SSP agents apprehended Rueda Medina during a shoot-out between cartel members at two safe-houses in Morelia. According to Mexican Attorney General (PGR) sources, the turf war is a product of La Familia's recent alliance of convenience with the drug cartel

Pacifico and other drug trafficking organizations (DTO) headed-up by Nacho Coronel and Nava Valencia. This loose alliance significantly increased La Familia's domain and established the group as a major player in the methamphetamine market. Los Zetas, meanwhile, are trying to re-gain territory and lost market share.

¶4. (C) PGR advised that La Familia is a complete organized crime syndicate, not only involved in drug trafficking but also extortion, money laundering, kidnapping and corruption. A semi-religious fervor, akin to a cult, is said to inspire La Familia's campaign, with some of its adherents referring to the marijuana and cocaine markets as "God-given" gifts. Bizarrely, the group routinely professes to support law enforcement efforts and even President Calderon's prosecution of the cartels. La Familia has distribution outlets in Mexico as well as the U.S. It allows its members to use marijuana and cocaine but cautions them against addiction and prohibits the use of methamphetamines. The group has reportedly established its own rehabilitation centers for members who become addicted. On the other hand, the manmade substance of methamphetamines is solely for distribution to the American "gringo" market in order to poison U.S. society. Thus far in 2009, 42 of the 62 meth-labs uncovered in Mexico were located in Michoacan. This shows La Familia's growing influence in the methamphetamine market, as well as the government's growing interest in going after them in President Calderon's home state. The cult-like allegiance of the group's members to the principles of La Familia is said to contribute to its virulent hatred of non-members and drives the violent attacks

MEXICO 00002093 002 OF 003

on the group's rivals or adversaries.

#### Government Response

¶5. (C) During follow-up operations on July 14, the Mexican federal police detained 18 Michoacan municipal police officers and transported them to the Attorney General's office in Mexico City for questioning regarding their involvement in the attacks on SSP officers. DEA sources also report that Mexican federal agents arrested Francisco Javier Frias-Lara (AKA El Chivo) on 13 July. Mexican Authorities identify Frias-Lara as the head of La Familia's assassination squad. He is suspected of coordinating the assassination of the 12 federal police officers.

¶6. (SBU) President Calderon immediately responded to the attacks insisting that, "The criminals will not be able to intimidate the federal government. In this battle, we will not give-up and we will not hesitate." The PRD released a press statement saying that "We will not protect anybody in this political organization who has committed a crime. Today, more than ever, coordination between federal security forces and the state government of Michoacan are needed."

¶7. (SBU) Separately, Technical Secretary of the National Security Council Monte Alejandro Rubido announced July 14 the issuance of a warrant for the arrest of Julio Cesar Godoy Toscano for protecting operations run by La Familia in the region of Lazaro Cardenas, Arteaga, and Nueva Italia. Godoy Toscano is the half-brother of the Michoacan Governor, Leonel Godoy. Additionally, Godoy Toscano is a member of the PRD who was recently elected as a representative to congress for Michoacan. Governor Godoy firmly backed the federal government's operations in his state saying, "Any person from Michoacan who is responsible for a crime has to face the consequences and if they are innocent they should also get a fair process."

¶8. (C) In a July 14 phone conversation between DEA and PGR, the PGR seemed reluctant to engage in a full scale offensive in Michoacan. However just two days later, the mood quickly shifted as the federal government deployed an additional 1000 SSP officers to the region. And when a principal member of

La Familia, Servando "La Tuta" Gomez, offered a truce to the government in a phone call to a Mexico radio station, Secretary of the Interior Gomez-Mont responded by saying, "The Federal Government does not ever dialogue, does not negotiate, and does not reach deals with any criminal organization."

¶9. (C) Comment. This is the second time in the last two months that Leonel Godoy has been in the narco hot-seat. Following the surprise arrest by federal officers of 10 mayors, one judge, and 16 other local officials in his state, authorities performed extensive checks into the background of the Governor. According to open source reports, a 2007 FBI assessment said that the Gulf Cartel financed the Governor's 2007 campaign. The Wall Street Journal repeated the claim on July 3, 2007. The Governor strongly denied the accusations and has avoided any further implications. As of now, there are no indications that he is directly involved in any organized crime in his state, but speculation continues. However, with so much attention focused so close to home, Godoy's political future is certainly under threat.

¶10. (C) The escalation of violence in Michoacan, coupled with the execution of highly trained SSP federal officers, has dealt a severe blow to SSP operations targeting La Familia members. Of course, the successful arrest of Rueda Medina will debilitate La Familia, at least temporarily. Federal officials insist they remain determined to take on organized crime networks, but morale among the rank and file varies greatly given the threat of additional brutal counter-attacks. The Michoacan region is mountainous and remote in many places, the perfect battlefield for the guerilla-like tactics employed by La Familia. We have little reason to believe we have seen the last of the violent altercations between law enforcement officials and La Familia in Michoacan.

Visit Mexico City's Classified Web Site at <http://www.state.sgov.gov/p/wha/mexicocity> and the North American Partnership Blog at <http://www.intelink.gov/communities/state/nap/>

MEXICO 00002093 003 OF 003

FEELEY